



YAKIMA BASIN WATER MARKETING

PRESENTATION TO

Joint Legislative Task Force on Water Resource Mitigation

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ANALYTICAL FRAMEWORK

- **Outreach:** TWG, YBIP, community stakeholders, website
- **GIS:** water rights transfer suitability and streamflow priorities
- **Modeling:** smart market simulations and water valuations
- **Legal & Policy:** transfer rules, management and protection framework
- **Development:** smart market strategy and administrative needs

Identify transactional costs and steps to increase efficiency and market access.

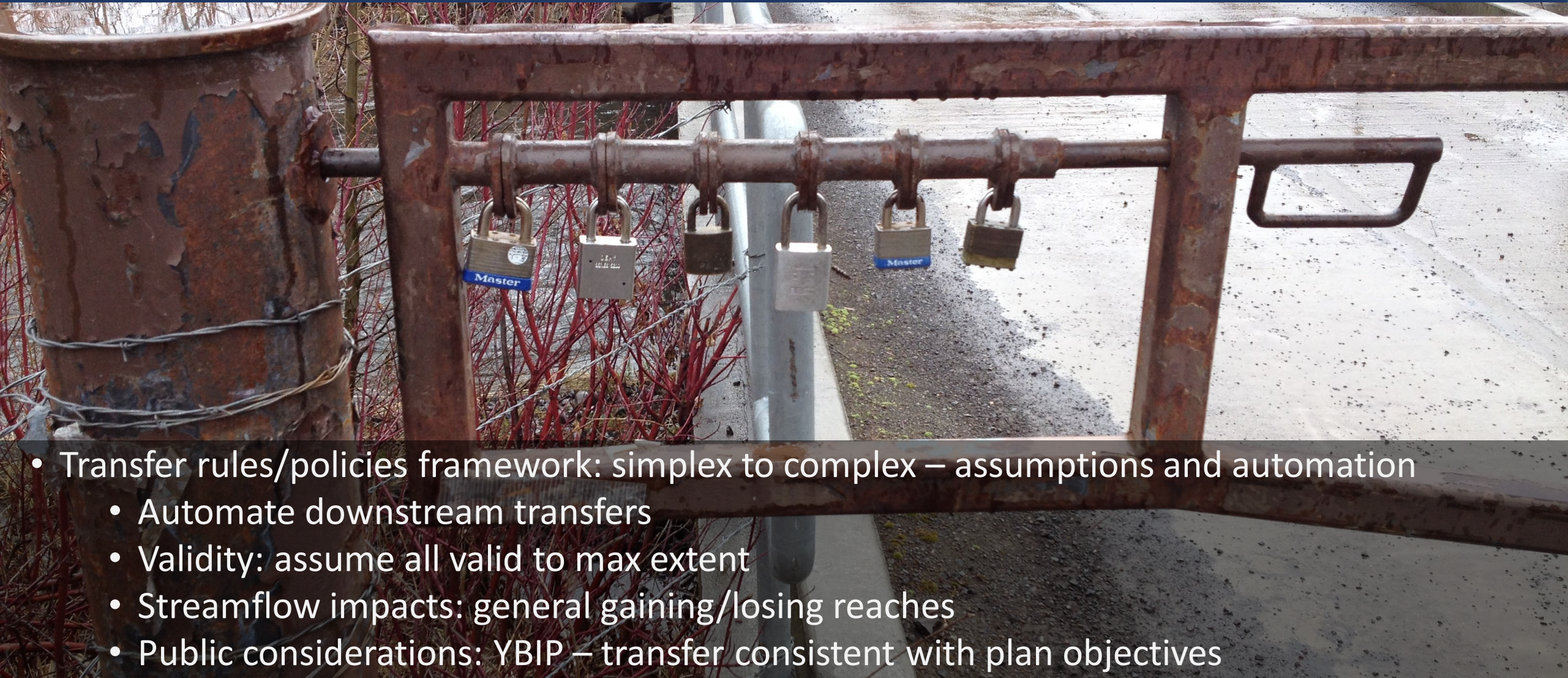


LITERATURE & POLICY RESEARCH HIGHLIGHTS

- **Coverage:** Australia, Canada, Chile, U.S. (WA, OR, ID, CO)
- **Key Points/Themes:**
 - Timeliness and transparency (decisions/outcomes)
 - Confidence in market structure and administration
 - Local collaboration to promote market legitimacy
 - Well-defined purpose may help; top-down administration may hurt
- **Challenges:** enforcement/management, defining/measuring rights



RULES & POLICIES APPROACH



- Transfer rules/policies framework: simplex to complex – assumptions and automation
 - Automate downstream transfers
 - Validity: assume all valid to max extent
 - Streamflow impacts: general gaining/losing reaches
 - Public considerations: YBIP – transfer consistent with plan objectives



RULES: BASIC TRANSFER FRAMEWORK

1. Is it a valid water right?

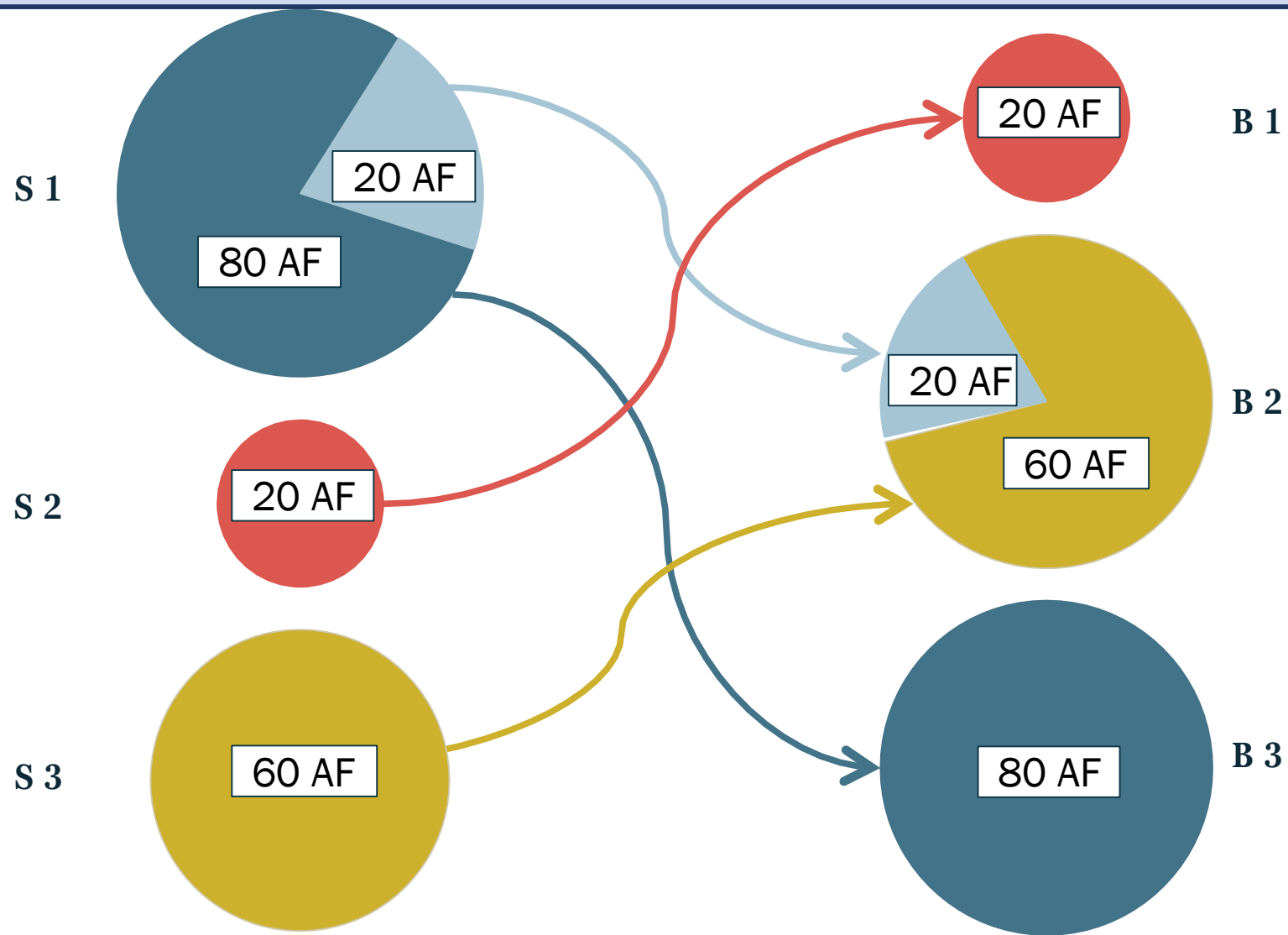
- 1. Does the applicant have title to or a valid claim to the title of only one water right?**
- 2. Are there any overlapping water rights?**
2. Can the transfer be made without detriment or injury (impairment) to existing junior or senior rights?
3. Would the transfer result in an adverse change in instream flows?
4. Does the transfer have or create negative operational considerations for USBR, other water users, or fish/aquatic life?
5. Are there other factors that must be considered?
6. The transfer can be approved.

Create automation where possible to allow market to create opportunities.



SMART MARKET BASICS

Sellers

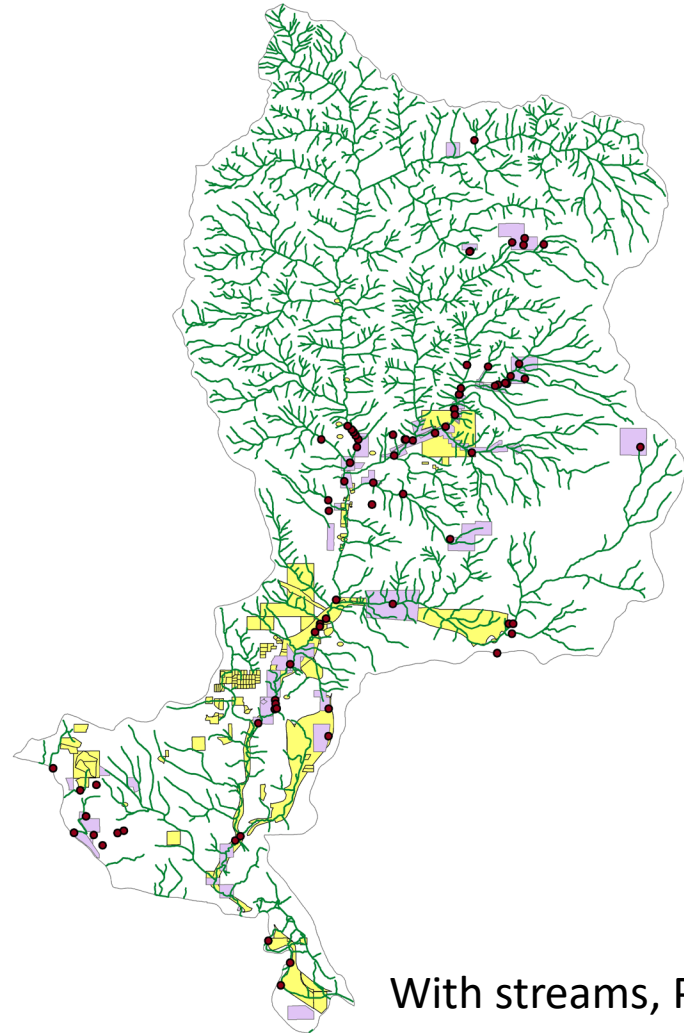


Buyers



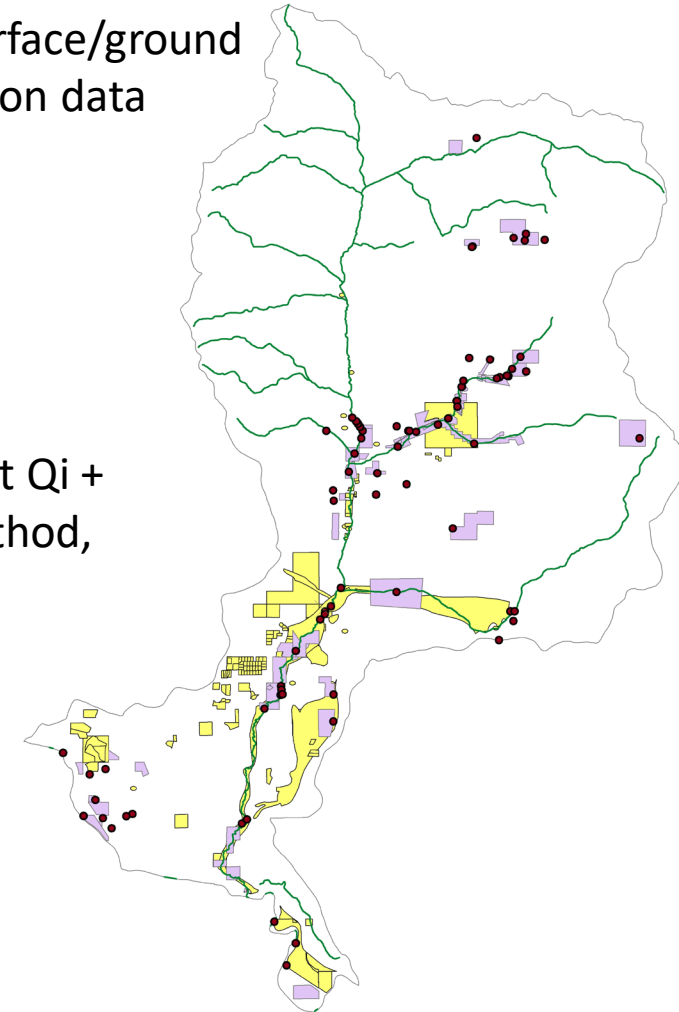
SWAUK ADJUDICATION SUBBASIN EXAMPLE

With named streams, PODs, POUs (surface/ground source), but no KRD acreage or irrigation data



Using this to develop:

POD and POU data combined with accurate water right Q_i + Q_a + source + priority date + crop data + irrigation method, stream miles, gaining/losing reaches, and more.



With streams, PODs, POUs (surface/ground source), but no KRD acreage or irrigation data



NEXT STEP + ONGOING CHALLENGES

- **Next Steps:**

- Water Rights Analysis = irrigated acres, individual/major claimants, consumptive use
- Smart Markets = algorithm coding – **Simple to Complex!**
- Policy = coordinate with Ecology's efforts on water rights, TWRP, water banking
- Outreach = ongoing community engagement

- **Ongoing Challenges:**

- Data complexity, availability, usability
- Policy Awareness